

LAWS OF DELAWARE
VOLUME 83
CHAPTER 118
151st GENERAL ASSEMBLY
FORMERLY
HOUSE BILL NO. 16

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO TAXES ON PERSONAL INCOME.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 1117, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1117. Earned income tax credit.

(a)(1) ~~An~~ For any tax year beginning before January 1, [of the year in which the contingency under Section 2 of this Act is fulfilled] an individual who is a resident of this State ~~shall be entitled to~~ may receive a nonrefundable credit against the individual's tax otherwise due under this chapter in the amount of 20% of the corresponding federal earned income credit allowed ~~pursuant to~~ under § 32 or successor provision of the Internal Revenue Code [26 U.S.C. § 32].

(2) For any tax year beginning on or after January 1, [of the year in which the contingency under Section 2 of this Act is fulfilled], an individual who is a resident of this State may receive a credit against the individual's tax under this chapter in an amount based on a percentage of the corresponding federal earned income credit allowed under § 32 or successor provision of the Internal Revenue Code [26 U.S.C. § 32]. The individual may claim either of the following amounts:

a. 20% of the corresponding federal earned income tax credit, not to exceed the tax otherwise due under this chapter.

b. 4.5% of the corresponding federal earned income tax credit, of which the amount that exceeds the tax otherwise due under this chapter is refundable.

(b) In the case of spouses who file a joint federal return but who elect to determine their Delaware taxes separately, the credit allowed under subsection (a) of this section may only be used by the spouse with the greater tax otherwise due, computed without regard to this credit.

(c) ~~In no event shall the~~ The credit allowed under subsection (a) paragraph (a)(1) of this section may not exceed the tax otherwise due under this chapter.

Section 2. This Act takes effect on the date of the last of the following to occur:

(1) The Division of Revenue has implemented the personal income tax release of the Integrated Revenue Administration System.

(2) The Secretary of Finance provides a written notice to the Registrar of Regulations that the contingency in paragraph (1) of this section has been fulfilled.

Approved August 10, 2021